

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
Title III

Case No. 17 BK 3283-LTS

(Jointly Administered)

**SUMMARY OF SIXTH INTERIM APPLICATION OF NIXON PEABODY LLP FOR
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR
REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO THE FINANCIAL
OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, AS
REPRESENTATIVE OF THE PUERTO RICO ELECTRIC POWER AUTHORITY, FOR
THE PERIOD FROM OCTOBER 1, 2020 THROUGH JANUARY 31, 2021**

Name of Applicant:

Nixon Peabody LLP

Authorized to Provide Professional Services
to:

The Financial Oversight and Management
Board for Puerto Rico, as Representative of
the Puerto Rico Electric Power Authority,
pursuant to Section 315(b) of PROMESA

Period for which compensation and
reimbursement are sought:

October 1, 2020 through January 31, 2021

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

Amount of Compensation sought as actual, \$83,172.00
reasonable, and necessary:

Amount of Expense Reimbursement sought as \$0
actual, reasonable, and necessary:

Total compensation subject to objection: None

Total expenses subject to objection: None

This is a(n): ___ monthly X interim ___ final application

- Blended Rate in this application for attorneys: \$934.30/hr
- Blended Rate in this application for all timekeepers: N/A

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

Schedule 1
Sixth Interim Compensation Period – Consolidated Fee Statements
October 1, 2020 – January 31, 2021

Entity	Period	Fees requested to be paid (100%)	Fee previously requested to be paid (90%)	Expenses requested to be paid (100%)	Total Fees and Expenses requested to be paid
PREPA	October 1, 2020 through January 31, 2021	\$83,172.00	\$74,854.80	N/A	\$83,172.00

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

Schedule 2
Summary of Professional Services Rendered by Timekeeper for the Period
October 1, 2020 – January 31, 2021

Professional	Position/Title	Hourly Billing Rate	Total Billed Hours	Total Compensation
Mitchell Rapaport	Partner	\$990	51.30	50,787.00
Virginia Wong	Partner	\$990	5.0	4,950.00
Carla Young	Partner	\$990	7.50	7,425.00
Elizabeth Columbo	Partner	\$990	4.90	4,851.00
Chris Reitzel	Partner	\$990	2.0	1,980.00
Robert Christmas	Partner	\$990	8.10	8,019.00
Sebastian Torres	Associate	\$600	8.60	5,160.00

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17 BK 3283-LTS

(Jointly Administered)

**SIXTH INTERIM APPLICATION OF NIXON PEABODY LLP FOR ALLOWANCE OF
COMPENSATION FOR SERVICES RENDERED AND FOR REIMBURSEMENT OF
EXPENSES AS SPECIAL COUNSEL TO THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO, AS REPRESENTATIVE OF THE
PUERTO RICO ELECTRIC POWER AUTHORITY, FOR THE PERIOD FROM
OCTOBER 1, 2020 THROUGH JANUARY 31, 2021**

Nixon Peabody LLP (“Nixon”), as special counsel to the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as representative of the Commonwealth of Puerto Rico (the “Commonwealth”), the Puerto Rico Electric Power Authority (“PREPA”) and certain other public corporations and instrumentalities of the Government of Puerto Rico (collectively, the “Debtors”), pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”) 48 U.S.C. §§ 2101-2241, hereby

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

submits this sixth interim application (the “Application”), pursuant to Sections 316 and 317 of PROMESA, Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”),² Rule 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the District of Puerto Rico (the “Local Rules”), and the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* issued by the Executive Office for the United States Trustee, 28 CFR Part 58, Appendix B (the “Guidelines”), and in accordance with this Court’s *Second Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (Dkt. No. 3269) (the “Interim Compensation Order”), for allowance of interim compensation for professional services performed by Nixon for the period commencing October 1, 2020 through and including January 31, 2021 (the “Compensation Period”) in the amount of \$83,172.00. In support of the Application, Nixon respectfully states as follows:

JURISDICTION

1. The United States District Court for the District of Puerto Rico (the “Court”) has subject matter jurisdiction pursuant to Section 306(a) of PROMESA.
2. Venue is proper in this district pursuant to Section 307(a) of PROMESA.
3. Nixon submits the Application pursuant to Sections 316 and 317 of PROMESA.

BACKGROUND

1. On June 30, 2016, the Oversight Board was established under Section 101(b) of PROMESA.
2. Pursuant to Section 315 of PROMESA, “[t]he Oversight Board in a case under this

² The Bankruptcy Rules are made applicable to the Debtor’s Title III case pursuant to Section 301 of PROMESA.

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

subchapter is the representative of the debtor” and “may take any action necessary on behalf of the debtor to prosecute the case of the debtor, including filing a petition under section [304] of [PROMESA] . . . or otherwise generally submitting filings in relation to the case with the court.” 48 U.S.C. § 2175.

3. On September 30, 2016, the Oversight Board designated the Debtors as “covered entities” under Section 101(d) of PROMESA.

4. On May 3, 2017, the Commonwealth, by and through the Oversight Board, as the Commonwealth’s representative pursuant to Section 315(b) of PROMESA, filed a petition with the Court under Title III of PROMESA.

5. On May 5, 2017, the Puerto Rico Sales Tax Financing Corporation (“COFINA”), by and through the Oversight Board, as COFINA’s representative pursuant to Section 315(b) of PROMESA, filed a petition with the Court under Title III of PROMESA.

6. On May 21, 2017, the Puerto Rico Highways and Transportation Authority (“HTA”), by and through the Oversight Board, as HTA’s representative pursuant to Section 315(b) of PROMESA, filed a petition with the Court under Title III of PROMESA.

7. On May 21, 2017, the Employees Retirement System for the Commonwealth of Puerto Rico (“ERS”), by and through the Oversight Board, as ERS’s representative pursuant to Section 315(b) of PROMESA, filed a petition with the Court under Title III of PROMESA.

8. On July 3, 2017, PREPA, by and through the Oversight Board, as PREPA’s representative pursuant to Section 315(b) of PROMESA, filed a petition with the Court under Title III of PROMESA.

9. Through Orders of this Court, the Commonwealth, COFINA, HTA, ERS, and PREPA Title III Cases (together, the “Title III Cases”) are jointly administered for procedural

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

purposes only, pursuant to Section 304(g) of PROMESA and Bankruptcy Rule 1015 [ECF Nos. 242, 537, 1417].

10. On October 6, 2017, the Court entered the *Order Pursuant to PROMESA Sections 316 and 317 and Bankruptcy Code Section 105(a) Appointing a Fee Examiner and Related Relief* [ECF No. 1416], which appointed Brady Williamson of Godfrey & Kahn, S.C. to serve as Fee Examiner in the Title III Cases.

11. On November 13, 2020, Nixon served on the Notice Parties its monthly fee statement for the month of October of 2020.

12. On December 10, 2020, Nixon served on the Notice Parties its monthly fee statement for the month of November of 2020.

13. On January 7, 2021, Nixon served on the Notice Parties its monthly fee statement for the month of December of 2020.

14. On April 30, 2021, Nixon served on the Notice Parties its monthly fee statement for the month of January of 2021.

15. On December 8, 2020, Nixon provided the corresponding Monthly Fee Objection Statement for the October 2020 monthly fee statement to representatives of the Puerto Rico Treasury Department (the “Treasury”) and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”).

16. On January 4, 2021, Nixon provided the corresponding Monthly Fee Objection Statement for the November 2020 monthly fee statement to representatives of the Treasury and AAFAF.

17. On March 15, 2021, Nixon provided the corresponding Monthly Fee Objection Statement for the December 2020 monthly fee statement to representatives of the Treasury and

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

AAFAF.

18. Finally, on May 13, 2021, Nixon provided the corresponding Monthly Fee Objection Statement for the January 2021 monthly fee statement to representatives of the Treasury and AAFAF.

COMPENSATION REQUESTED

1. On June 7, 2019, Nixon executed an Independent Contractor Services Agreement with the Oversight Board to provide advice in connection with PREPA's transactions related to its transmission, distribution and generation assets, and specifically, the tax structuring options for such transactions (the "FY19 Agreement"). The FY19 Agreement was set to expire on June 30, 2019.

2. On July 1, 2019, Nixon executed an Independent Contractor Services Agreement with the Oversight Board to provide advice in connection with PREPA's transactions related to its transmission, distribution and generation assets, and specifically, the tax structuring options for such transactions (the "FY20 Agreement"). The FY20 Agreement was set to expire on June 30, 2020.

3. On July 1, 2020, Nixon executed an Independent Contractor Services Agreement with the Oversight Board to provide advice in connection with PREPA's transactions related to its transmission, distribution and generation assets, and specifically, the tax structuring options for such transactions (the "FY21 Agreement"). The FY21 Agreement was set to expire on June 30, 2021.

4. On July 1, 2021, Nixon executed an Independent Contractor Services Agreement with the Oversight Board to provide advice in connection with PREPA's transactions related to its transmission, distribution and generation assets, and specifically, the tax structuring options for

such transactions (the “FY22 Agreement”). The FY21 Agreement was set to expire on June 30, 2022.

5. On July 1, 2022, Nixon executed an Independent Contractor Services Agreement with the Oversight Board to provide advice in connection with PREPA’s transactions related to its transmission, distribution and generation assets, and specifically, the tax structuring options for such transactions (the “FY23 Agreement”, and together with the FY19 Agreement and the FY20 Agreement, the FY21 Agreement and the FY22 Agreement, the “Agreements”). The FY23 Agreement is set to expire on June 30, 2023.

6. In accordance with the Interim Compensation Order, Nixon has provided copies of the Agreements to the Treasury and AAFAF.

7. Nixon’s hourly rates are set at a level designed to compensate Nixon fairly for the work of its attorneys and professionals and are disclosed in the Agreements.

8. Pursuant to PREPA’s certified fiscal plan, PREPA is required to separate its transmission and distribution (“T&D”) and generation functions and transfer operation and maintenance responsibilities to third-party, professional operators, leveraging private sector management, experience, and expertise to effectively deliver reliable electricity to Puerto Rico’s residents.

9. As to the T&D system, the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement and the Puerto Rico Transmission and Distribution System Supplemental Terms Agreement were entered on June 22, 2022 (the “LUMA T&D Agreements”), between, among others, PREPA, LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, “LUMA”). As a result, PREPA transitioned its operation and maintenance functions to LUMA on June 1, 2021, along with customer service and energy operation center

responsibilities.

10. Similarly, PREPA's generation assets, comprised of existing PREPA-owned generation resources, will be operated and maintained by one or more private operators until their retirement, as laid out in the Integrated Resource Plan approved by the Puerto Rico Energy Bureau.

11. For the selection of a private operator(s) for its legacy generation assets, PREPA has been supporting the RFP process led by the Puerto Rico Public-Private Partnerships Authority ("P3A") and will work towards ensuring a timely and successful transition once the P3A completes the selection process.

12. Nixon is a nationally recognized bond counsel firm with more than 30 years of experience in all areas of public finance. Its Public Finance practice is one of the largest in the nation with more than 40 public finance and tax attorneys. The firm consistently ranks among the top bond counsel, underwriters' counsel, and disclosure counsel firms in the nation.

13. Nixon has advised, and will continue to, advise the Oversight Board on optimal tax structures for PREPA's restructuring and transformation of its legacy generation and T&D assets pursuant to PREPA's certified fiscal plans. In this capacity, Nixon is engaged to provide tax-exempt bond law analysis, render opinions related to federal tax issues and prepare tax-related documentation and disclosure, among other things.

14. As of this date, Nixon has delivered three legal opinions in connection with the LUMA T&D Agreements and expects to deliver additional legal opinions with respect to the creation of one or more affiliates of PREPA to which PREPA would transfer all or a portion of its electric generation facilities.

15. Pursuant to the Interim Compensation Order, Nixon hereby seeks an allowance of \$83,172.00 as compensation for professional services rendered during the Compensation Period

in connection with such professional services.

16. Nixon's itemized time records for attorneys and professionals performing services for the Oversight Board during the Compensation Period is attached hereto as **Exhibit A**.

17. During the Compensation Period, Nixon billed the Oversight Board for time expended by its attorneys and professionals based on Nixon's hourly rate for each attorney and professional as detailed in Schedule 2 of the summary of this Application.

18. The fees charged by Nixon are in accordance with the firm's existing billing rates and procedures in effect during the Compensation Period and are appropriate for complex securities and tax advantage financing matters. The rates and rate structure reflect that such complex matters typically involve great complexity, high stakes, and intense time pressures. Nixon submits that the compensation requested is reasonable in light of the nature, extent, and value of such services provided to the Oversight Board.

19. The services for which Nixon is requesting approval of the Court were performed for the Oversight Board as representative of PREPA. In connection with the matter covered by this Application, Nixon received no payment and no promises of payment for services rendered, or to be rendered, from any source other than the Debtors. There is no agreement or understanding between Nixon and any other person, other than members of the firm, for the sharing of compensation received for services rendered under the Agreements.

20. Sections 316 and 317 of PROMESA provide for interim compensation of professionals and govern the Court's award of such compensation. 48 U.S.C. §§ 2176-2177. Section 316 of PROMESA provides that a court may award a professional person employed by the Debtors or the Oversight Board under PROMESA "(1) reasonable compensation for actual, necessary services rendered by the professional person, or attorney and by any paraprofessional

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

person employed by any such person; and (2) reimbursement for actual, necessary expenses.” 48 U.S.C. § 2176(a).

21. Section 316 of PROMESA also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded ... the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (1) the time spent on such services;
- (2) the rates charged for such services;
- (3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;
- (4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
- (6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this subchapter or title 11.

48 U.S.C. § 2176(c).

22. As noted above, the professional services object of this Application were necessary and beneficial to the Oversight Board as representative of PREPA.

ATTORNEY CERTIFICATION

1. In accordance with Puerto Rico Local Bankruptcy Rule 2016-1(a)(4), the undersigned has reviewed the requirements of Puerto Rico Local Bankruptcy Rule 2016-1(a)(4)

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

and certifies to the best of his information, knowledge, and belief that this Application complies with Puerto Rico Local Bankruptcy Rule 2016-1(a)(4). In this regard, and incorporated herein by reference, the Certification of Mitchell Rapaport in accordance with the U.S. Trustee Guidelines is attached hereto as **Exhibit B**.

RESERVATION OF RIGHTS

1. Nixon reserves the right to request compensation for services and reimbursement of such expenses in a future application that have not been processed in relation to the Compensation Period object of this Application.

NOTICE

1. Pursuant to the Interim Compensation Order, notice of this Application has been filed in the Title III Cases and served upon:

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

(a) the Financial Oversight and Management Board:

Financial Oversight and Management Board
40 Washington Square South, Office 314A
New York, NY 10012
Attn: Professor Arthur J. Gonzalez, Oversight Board Member

(b) attorneys for the Oversight Board:

Proskauer Rose LLP
Eleven Times Square
New York, NY 10036,
Attn: Martin J. Bienenstock, Esq. (mbienenstock@proskauer.com)
Ehud Barak, Esq. (ebarak@proskauer.com)

and

Proskauer Rose LLP
70 West Madison Street
Chicago, IL 60602
Attn: Paul V. Possinger, Esq. (ppossinger@proskauer.com)

(c) attorneys for the Puerto Rico Fiscal Agency and Financial Advisory Authority:

O'Melveny & Myers LLP
Times Square Tower
7 Times Square, New York, NY 10036
Attn: John J. Rapisardi, Esq. (jrapisardi@omm.com)
Suzanne Uhland, Esq. (suhland@omm.com)
Diana M. Perez, Esq. (dperez@omm.com)

(d) attorneys for the Puerto Rico Fiscal Agency and Financial Advisory Authority:

Marini Pietrantonio Muñiz LLC
MCS Plaza, Suite 500
255 Ponce de León Ave
San Juan, PR 00917
Attn: Luis C. Marini-Biaggi, Esq. (lmarini@mpmlawpr.com)
Carolina Velaz-Rivero Esq. (cvelaz@mpmlawpr.com)

(e) the Office of the United States Trustee for the District of Puerto Rico, Edificio Ochoa:

Office of the United States Trustee for the District of Puerto Rico,
Edificio Ochoa
500 Tanca Street, Suite 301
San Juan, PR 00901
(re: *In re: Commonwealth of Puerto Rico*)

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

(f) attorneys for the Official Committee of Unsecured Creditors:

Paul Hastings LLP
200 Park Ave.
New York, NY 10166
Attn: Luc. A Despins, Esq. (lucdespins@paulhastings.com)

(g) attorneys for the Official Committee of Unsecured Creditors:

Casillas, Santiago & Torres LLC
El Caribe Office Building
53 Palmeras Street, Ste. 1601
San Juan, PR 00901
Attn: Juan J. Casillas Ayala, Esq. (jcasillas@cstlawpr.com)
Alberto J.E. Añeses Negrón, Esq. (aaneses@cstlawpr.com)

(h) attorneys for the Official Committee of Retired Employees:

Jenner & Block LLP
919 Third Ave.
New York, NY 10022
Attn: Robert Gordon, Esq. (rgordon@jenner.com)
Richard Levin, Esq. (rlevin@jenner.com)

and

Jenner & Block LLP
353 N. Clark Street
Chicago, IL 60654
Attn: Catherine Steege, Esq. (csteege@jenner.com)
Melissa Root, Esq. (mroot@jenner.com)

(i) attorneys for the Official Committee of Retired Employees:

Bennazar, García & Milián, C.S.P.
Edificio Union Plaza, PH-A
416 Ave. Ponce de León
Hato Rey, PR 00918
Attn: A.J. Bennazar-Zequeira, Esq. (ajb@bennazar.org)

(j) the Puerto Rico Department of Treasury:

Puerto Rico Department of Treasury
PO Box 9024140
San Juan, PR 00902-4140
Attn: Reylam Guerra Goderich, Deputy Assistant of Central Accounting
(Reylam.Guerra@hacienda.pr.gov)
Omar E. Rodríguez Pérez, CPA, Assistant Secretary of Central
Accounting (Rodriguez.Omar@hacienda.pr.gov)
Angel L. Pantoja Rodríguez, Deputy Assistant Secretary of Internal
Revenue and Tax Policy (angel.pantoja@hacienda.pr.gov)
Francisco Parés Alicea, Secretary of the Puerto Rico Treasury

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

Department (francisco.pares@hacienda.pr.gov)
Francisco Peña Montañez, CPA, Assistant Secretary of the Treasury
(Francisco.Pena@hacienda.pr.gov)

(k) attorneys for the Fee Examiner:

EDGE Legal Strategies, PSC
252 Ponce de León Avenue
Citibank Tower, 12th Floor
San Juan, PR 00918
Attn: Eyck O. Lugo (elugo@edgelegalpr.com)

(l) attorneys for the Fee Examiner:

Godfrey & Kahn, S.C.
One East Main Street, Suite 500
Madison, WI 53703
Attn: Katherine Stadler (KStadler@gklaw.com)

(m) attorneys for AAFAF in the PREPA Title III proceeding:

Greenberg Taurig LLP
200 Park Avenue
New York, NY 10166
Attn. Nathan A. Haynes, Esq., haynesn@gtlaw.com

(n) attorneys for the U.S. Bank National Association:

Maslon LLP
90 South Seventh Street, Suite 3300
Minneapolis, MN 55402
Attn: Clark T. Whitmore, Esq. (clark.whitmore@maslon.com)
William Z. Pentelovitch, Esq., (bill.pentelovitch@maslon.com)
John T. Duffey, Esq. (john.duffey@maslon.com)
Jason M. Reed, Esq. (jason.reed@maslon.com)

(o) attorneys for the U.S. Bank National Association:

Rivera, Tulla and Ferrer, LLC
50 Quisqueya Street
San Juan, PR 00917
Attn: Eric A. Tulla, Esq. (etulla@riveratulla.com)
Iris J. Cabrera-Gómez, Esq. (icabrera@riveratulla.com).

WHEREFORE Nixon respectfully requests that the Court enter an order (a) allowing interim compensation for professional services rendered during the Compensation Period in the amount of \$83,172.00 (including the 10% professional compensation holdback amount); (b) directing the Commonwealth to pay promptly to Nixon the difference between (i) the amount of

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

interim compensation for professional services rendered, and reimbursement of expenses incurred during the Compensation Period allowed hereunder, and (ii) the amounts for such compensation and expenses previously paid to Nixon, consistent with the provisions of the Interim Compensation Order; (c) allowing such compensation for professional services rendered and reimbursement of actual and necessary expenses incurred without prejudice to Nixon's right to seek additional compensation for services performed and expenses incurred during the Compensation Period, which were not processed at the time of this Application; and (d) granting Nixon such other and further relief as is just and proper.

Dated: August 4, 2023
New York, New York

Respectfully submitted,

/s/ Sebastian M. Torres Rodríguez

USDC No. 301211
Nixon Peabody LLP
Tower 46
55 West 46th Street
New York, NY 10036-4120
Telephone: (212) 940-3072
Facsimile: (833) 936-0842

Exhibit A

ITEMIZED TIME RECORDS

October 2020

MATTER NO.: 000002 PREPA TAX ADVICE

For Professional Fees:

Date	Timekeeper	Hours	Description of Services
10/15/20	M. Rapaport	1.00	Conference call with Ankura, Citi and FTI regarding generation contract. Reviewed issues in contract term.
10/16/20	M. Rapaport	1.00	Prepared summary of next steps for generation contract.
10/17/20	M. Rapaport	0.40	Emails to FTI regarding management contract limitations.
10/19/20	S. Torres-Rodriguez	0.60	Draft the Monthly Fee Objection Statement for September 2020 (Interim Fee Period of June through September) in accordance with the District Court's Second Amended Order Setting Procedures for Interim Compensations and Reimbursement of Expenses of Professionals entered on June 6, 2018
10/22/20	M. Rapaport	1.00	Emails regarding generation contract.
10/23/20	M. Rapaport	0.30	Emails to Ankura regarding generation contract.
10/26/20	M. Rapaport	1.50	Reviewed preb report and materials related to project useful life. Email to Ankura.
10/27/20	M. Rapaport	2.50	Prepared for call with Ankura and Sargent Lundy. Conference call with Ankura and Sargent Lundy. Emails regarding RFP for generation with Ankura and Nixon team.
10/28/20	M. Rapaport	2.00	Emails and telephone call with Cleary regarding generation RFP. Reviewed generation RFP.
10/28/20	C. Young	0.20	Review emails from M. Rapaport regarding RFP for T&D services.
10/29/20	C. Young	0.30	Telephone call with M. Rapaport regarding comments to RFP for T&D facilities.
10/29/20	M. Rapaport	1.30	Telephone call regarding generation RFP. Reviewed emails regarding useful life of generation assets.
10/30/20	C. Young	0.30	Review and analyze emails describing economic life calculations for Generation assets.
10/30/20	M. Rapaport	1.70	Reviewed emails regarding useful life analysis from Sargent and Lundy. Reviewed generation RFP. Email to Cleary regarding comment to RFP.

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

10/31/20	M. Rapaport	0.50	Reviewed generation documents. Emails regarding documents.	
Task Total: None		14.60		Task Fees: 14,220.00

TOTAL HOURS: 14.60

TOTAL FEES: **\$14,220.00**

November 2020

MATTER NO.: 000002

PREPA TAX ADVICE

For Professional Fees:

Date	Timekeeper	Hours	Description of Services
11/01/20	M. Rapaport	1.00	Review generation documents. E-mails to Cleary.
11/02/20	M. Rapaport	3.50	Review various generation documents. E-mails to Cleary with comments to documents.
11/03/20	M. Rapaport	1.00	Review documents on Intralinks site.
11/06/20	M. Rapaport	1.00	E-mails regarding PREPA contracts and generation asset life.
11/07/20	M. Rapaport	0.40	Review e-mails regarding generation asset life.
11/09/20	M. Rapaport	0.60	E-mails regarding useful life analysis.
11/11/20	M. Rapaport	0.40	E-mails regarding P3 RFP.
11/12/20	M. Rapaport	1.20	E-mails regarding review of generation contracts to V. Wong and Fernando. Review revised RFP.
11/12/20	C. Young	0.30	Review e-mails from M. Rapaport with final copies of RFP and white papers for Legacy Generation contract.
11/13/20	M. Rapaport	0.70	Conference call with V. Wong and Fernando. Telephone call with D. Brownstein.
11/17/20	M. Rapaport	3.70	Review draft O&M contract.
11/18/20	M. Rapaport	2.50	Review generation contract.
11/19/20	M. Rapaport	2.30	Review generation contract.
11/19/20	S. Torres-Rodriguez	2.00	Review the Legacy Generation P3 O& M Agreement shared by Cleary Gottlieb.
11/20/20	M. Rapaport	2.00	Prepared comments on Generation Contract.
11/23/20	C. Young	0.30	Review big picture tax comments to generation operating contract.
11/23/20	M. Rapaport	2.50	Review Cleary memorandum regarding generation contract. Conference call with P3 working group.
11/24/20	C. Young	4.00	E-mails with M. Rapaport. Review and comment on draft of O&M contract.
11/24/20	M. Rapaport	2.00	E-mails regarding generation contract with C. Young. Review proposed changes to generation contract.
11/25/20	C. Young	0.30	Review e-mail from M. Rapaport to group with NP comments to draft O&M contract.
11/25/20	M. Rapaport	2.00	Review Generation comment. Prepared comments to submit to Cleary.

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court

Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

Task Total: None

33.70

Task Fees: 32,583.00

TOTAL HOURS: 33.70

TOTAL FEES: **\$32,583.00**

December 2020

MATTER NO.: 000002

PREPA TAX ADVICE

For Professional Fees:

Date	Timekeeper	Hours	Description of Services
01: Category 1			
12/30/20	V. Wong	1.50	Review and revise summary of proposed transfer order provisions.
Task Total: Category 1		1.50	Task Fees: 1,485.00

75: Category 75

12/18/20	E. Columbo	2.00	Call with V. Wong. Review PREPA statute and securitization materials. Call with Proskauer, V. Wong, C. Reitzel and Citi.
12/18/20	V. Wong	1.70	Review statute. Phone call with E. Columbo. Conference call with Citi and Proskauer.
12/21/20	E. Columbo	1.20	Review statute. Review memo prepared by R. Christmas.
Task Total: Category 75		4.90	Task Fees: 4,851.00

12/01/20	M. Rapaport	1.00	Conference call with Ankura and S&L regarding useful life analysis.
12/03/20	M. Rapaport	1.70	Review revised management contract.
12/04/20	M. Rapaport	2.00	Review new draft of Generation Contract.
12/07/20	M. Rapaport	2.00	Review Generation Contract. Prepared comments on contract. E-mails to Cleary and Nixon team. E-mails to C. Young.
12/07/20	C. Young	0.50	Review changes to O&M contract. E-mails with M. Rapaport.
12/18/20	C. Reitzel	0.50	Conference call with Proskauer, V. Wong, L. Columbo and Citi.
12/18/20	R. Christmas	0.30	Conference with V. Wong and L. Columbo regarding securitization and SPV strategy/requirements.
12/19/20	R. Christmas	2.90	Review authorities, opinions, SPV legislation and sample Orders for relevant securitization findings to use in bankruptcy court-based SPF securitization.

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court

Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

12/21/20	M. Rapaport	1.00	Review PREPA FEMA plan.	
12/21/20	R. Christmas	2.80	Preparation of required findings for securitization and SPV sale done under bankruptcy court auspices.	
Task Total: None		14.70		Task Fees: 14,553.00

TOTAL HOURS: 21.10

TOTAL FEES: **\$20,889.00**

January 2021

MATTER NO.: 000002

PREPA TAX ADVICE

For Professional Fees:

Date	Timekeeper	Hours	Description of Services
01: Category 1			
01/04/21	V. Wong	1.80	Review proposed order provisions. (.30). Call with Proskauer and Citi. (1.00). Review amendments to PREPA statute. (.50).
Task Total: Category 1		1.80	Task Fees: 1,782.00
75: Category 75			
01/04/21	E. Columbo	1.70	Review memo on transfer provisions for order (0.5 hours). Call with C Reitzel and V Wong (0.2 hours). Conference call to discuss PREPA SPV structure and memo on transfer provisions for order with P Possinger, C Reitzel, D Brownstein, V Wong, E Barak and D Desatnik (1.0 hours).
Task Total: Category 75		1.70	Task Fees: 1,683.00
01/04/21	S. Torres-Rodriguez	1.00	Draft the Fifth Interim Application.
01/04/21	R. Christmas	2.10	Review and respond to e-mail from V. Wong regarding proposed confirmation Order provisions for transfer to SPV (0.1). Request and review redline against initial draft (0.3). Review E-mail from V. Wong regarding precedent for judicial good faith findings for transfer to SPV (0.1). Locate and review reported and unreported transfer precedent under Chapter 9 (1.4). E-mail to V. Wong regarding results of precedent review for 363(m) finding (0.2).
01/04/21	C. Young	0.50	E-mails with M. Rapaport regarding form of opinion. Send comments to opinion.
01/04/21	M. Rapaport	2.00	Review Generation Opinion. Draft language for opinion. E-mails to C. Young and Cleary.

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

01/04/21	S. Torres-Rodriguez	3.00	Review the Commonwealth's Title III Case Docket to determine the status of our Interim Applications in order to determine the allowance of the 10% holdback and confer with M. Rapaport regarding the same.
01/04/21	S. Torres-Rodriguez	1.00	Draft the Fourth Interim Application.
01/04/21	C. Reitzel	1.50	Review NP proposed Sale Order provisions for sale to SPV and Act (.8), conference with V. Wong and E. Columbo regarding memo, conference call regarding memo (.2), call with Citi and Proskauer (.5).
01/05/21	M. Rapaport	0.60	Review issues with opinion for generation contract.
01/05/21	C. Young	0.30	Review and comment on changes to opinion language. Emails with M. Rapaport.
01/06/21	S. Torres-Rodriguez	0.50	File the Fourth Interim Application through the P.R. Bankruptcy Court's CM/ECF Filer.
01/06/21	C. Young	0.50	E-mails with M. Rapaport regarding term of O&M contract. E-mails with M. Rapaport regarding opinion changes.

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court

Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

01/06/21	S. Torres-	0.50	File the Fifth Interim Application through the P.R.
	Rodriguez		Bankruptcy Court's CM/ECF Filer.
01/06/21	M. Rapaport	1.00	E-mails regarding Generation Contract and Nixon
			opinion.
Task Total: None		14.50	Task Fees: 12,015.00

TOTAL HOURS: 18.00

TOTAL FEES: **\$15,480.00**

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

Exhibit B

ATTORNEY CERTIFICATION

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17 BK 3283-LTS

(Jointly Administered)

**CERTIFICATION OF MITCHELL RAPAPORT PURSUANT TO PUERTO RICO
LOCAL BANKRUPTCY RULE 2016-1(a)(4)**

Mitchell Rapaport, under penalty of perjury, certifies as follows:

1. I am a partner with the law firm of Nixon Peabody LLP (“Nixon”).
2. I make this certification in accordance with Rule 2016-1(a)(4) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Puerto Rico (the “Local Rules”) regarding the contents of applications for compensation and expenses.
3. I am familiar with the work performed by Nixon for the Financial Oversight and

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

Management Board for Puerto Rico (the “Oversight Board”), acting for or on behalf of the Puerto Rico Electric Power Authority (“PREPA”).

4. I have read the *Sixth Interim Application of Nixon Peabody LLP for Allowance of Compensation for Services Rendered and for Reimbursement of Expenses as Special Counsel to the Financial Oversight and Management Board for Puerto Rico, as representative of the Puerto Rico Electric Power Authority, for the Period from October 1, 2020 through January 31, 2021* (the “Application”), and the facts set forth therein are true and correct to the best of my knowledge, information, and belief.

5. To the best of my knowledge, information, and belief, formed after reasonable inquiry, the fees and disbursements sought in the Application are permissible under the Fee Examiner Guidelines, PROMESA, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Interim Compensation Order, the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses by Attorneys in Larger Chapter 11 Cases, effective November 1, 2013* (the “Guidelines”), and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Puerto Rico.

6. I hereby certify that no public servant of the Puerto Rico Department of Treasury is a party to or has any interest in the gains or benefits derived from the contract that is the basis of this invoice. The only consideration for providing services under the contract is the payment agreed upon with the authorized representatives of the Oversight Board. The amount of this invoice is reasonable. The services were rendered and the corresponding payment has not been made. To

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

the best of my knowledge, Nixon does not have any debts owed to the Government of Puerto Rico or its instrumentalities.

Dated: August 4, 2023

/s/ Mitchell Rapaport
Mitchell Rapaport

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

Case No. 17 BK 3283-LTS

(Jointly Administered)

**ORDER APPROVING THE SIXTH INTERIM FEE APPLICATION OF NIXON
PEABODY LLP FOR COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED AS SPECIAL COUNSEL TO THE
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, AS
REPRESENTATIVE OF THE PUERTO RICO ELECTRIC POWER AUTHORITY, FOR
THE PERIOD FROM OCTOBER 1, 2020 THROUGH JANUARY 31, 2021**

Upon the application (the “Application”)² of Nixon Peabody LLP (“Nixon”), as attorneys for the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) acting as representative of the Debtors under Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),³ seeking, pursuant to (a) Sections 316 and 317 of PROMESA, (b) Rule 2016 of the Federal Rules of Bankruptcy Procedure, (c) Local Rule 2016-1,

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² Capitalized terms not defined in this order will have the meanings ascribed to them in the Application.

³ PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

Estimated Hearing Date: Next Omnibus Hearing Date or an earlier date as ordered by the Court
Objection Deadline: August 24, 2023, at 4:00 p.m. (Atlantic Standard Time)

(d) the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* issued by the Executive Office for the United States Trustee, 28 CFR Part 58, Appendix B, and (e) this Court's *Second Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (Dkt. No. 3269), an allowance of interim compensation for professional services rendered for the period commencing October 1, 2020 through and including January 31, 2021 in the amount of \$83,172.00; and, this Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is hereby **ORDERED** that:

1. The Application is APPROVED as set forth herein.
2. Compensation to Nixon for professional services rendered during the Compensation Period is allowed on an interim basis in the amount of \$83,172.00.
3. The Debtor is authorized to pay Nixon all fees and expenses allowed pursuant to this Order, including those that were previously held back pursuant to the Interim Compensation Order, less any amounts previously paid for such fees and expenses under the terms of the Interim Compensation Order.
4. The Debtor is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Application.

Dated: August 4, 2023
San Juan, Puerto Rico

Honorable Laura Taylor Swain
United States District Judge